

Financial Policy Issue Worksheet

Common Program Funding-ERPP

Description

Funding for the ERPP has been identified that will enable implementation to begin during the first ten years of the Program. Assuming successful completion of the EIR/EIS process, and federal appropriations consistent with the Bay-Delta Act, as much as \$1 billion could be available for the ERPP over the first ten years.

Discussion

- Cost estimates for the ERPP indicate that substantial additional funding beyond the identified sources would be required to fully implement the ERPP over the entire term of the Program.
- Cost estimates for the first ten years of the ERPP indicate that the identified sources, if they fully materialize, are adequate to successfully implement the ERPP over the first ten years.
- There is a practical limit to the amount that can be effectively and efficiently spent by the Program on an annual basis on the Bay-Delta ecosystem. Although this practical limit is not exact, ERPP projections indicate that significant funding above the levels already identified could be in excess of the amounts that could be efficiently spent over the period.

BDAC Report

The Financial Strategy for the Preferred Alternative will probably not include additional revenues for the ERPP beyond those currently identified until after the initial ten years of the Program. Assurances will need to be in place to ensure that the identified funding does become available as projected, and that future funding is appropriately maintained. Because the timing of additional ERPP funding is consistent with the timeframe during which implementation of any new facilities might begin, there exists the possibility for an assurances-related coordination between the availability of this funding and the implementation of any necessary facilities.

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